

July 2, 2008

Indiana Economic Development Corporation

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Scott DeVries General Counsel Indiana Bureau of Motor Vehicles

Dear Mr. DeVries:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with rule changes proposed by the Indiana Bureau of Motor Vehicles ("BMV") and contained in LSA Document 08-215. The proposed rule makes numerous changes to 140 IAC Articles 1 through 9. Changes associated with the proposed rule include amendments to administrative hearing and procedure rules to comply with IC 4-21.5-3 and IC 4-21-4, proof of financial responsibility filing requirements in accordance with IC 9-25, and regulations comporting the BMV's standards for ignition interlock devices with federal standards. Other provisions involve significant changes to regulations regarding dealer plates, salvage motor regulations and record keeping and new rules comporting regulations governing drivers examiners, driving tests, and standardization with IC 9-14-2-2 and 9-24-10-4. The rule also changes the Commercial Driver's License application rules to include requirements associated with the federal REAL ID Act.

Although the proposed rule makes numerous changes, the only changes involving a potential economic impact for small business is the change amending 140 IAC 7-2-1 concerning motorcycle skills test administration fees. Entities affected by the rule include private entities that provide motorcycle skills testing and individuals wishing to obtain a motorcycle certification.

The rule memorializes the BMV's existing practice of using organizations such as American Bikers Aimed Toward Education ("ABATE") to administer the motorcycle skills tests. ABATE currently charges \$10 to administer the motorcycle skills test. Individuals also have the option of having the test administered by the BMV, which charges \$5 per test. Although outside organizations may charge a higher per test fee than what is charged by the BMV, utilizing these organizations provides individuals with expanded options and results in cost savings for the BMV. Additionally, this option could result in new revenue for organizations administering the tests.

The IEDC does not object to the fiscal impact associated with this proposed rule. Although the proposed rule makes numerous changes, the provisions of the rule are cost neutral or result in cost savings or expanded options for affected entities. If you have any questions about the comments contained herein please contact me at 232-8962 or rasberry@iedc.in.gov.

Regards,

Ryan Asberry

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Assistant Vice President